

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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Application of Pacific Gas and Electric Company
for Approval of the Retirement of Diablo Canyon
Power Plant, Implementation of the Joint
Proposal, And Recovery of Associated Costs
Through Proposed Ratemaking Mechanisms
(U39E).

Application 16-08-006
(Filed August 11, 2016)

**RESPONSE OF FRIENDS OF THE EARTH,
NATURAL RESOURCES DEFENSE COUNCIL
AND
ENVIRONMENT CALIFORNIA
IN SUPPORT OF PG&E'S APPLICATION**

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September 15, 2016

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I. INTRODUCTION AND SUMMARY

Friends of the Earth (“FOE”), the Natural Resources Defense Council (“NRDC”) and Environment California are all signatories to the Joint Proposal, dated June 20, 2016, that forms the basis for the Application by Pacific Gas and Electric Company (“PG&E”) in this proceeding for authorization to replace the Diablo Canyon Nuclear Power Plant with greenhouse-gas-free resources, and recover the associated costs via its retail electric rates. FOE, NRDC and Environment California were active participants in the negotiations leading up to execution of the Joint Proposal. The Joint Proposal is a multi-party agreement in which a diverse array of interests is represented. FOE, NRDC and Environment California believe the Joint Proposal achieves a balanced resolution of a large and complex series of questions related to retirement of

the Diablo Canyon facility. Accordingly, we support the PG&E Application in its entirety, and respectfully urge that it be approved by the Commission.

II. DESCRIPTION OF FOE, NRDC AND ENVIRONMENT CALIFORNIA, AND THEIR RESPECTIVE INTERESTS IN THIS CASE

FOE, NRDC and Environment California bring different perspectives to the issues in this case, but they also share many principles and objectives. The three organizations have joined in submitting this statement, rather than filing separately. This has helped to conserve the resources of these organizations, and also will help streamline the process for the Administrative Law Judge, the Commission, and the other parties to this proceeding. As the case proceeds, the three organizations will continue to work collaboratively, while each organization also will reserve its right to participate separately on issues of particular concern. Below is a description of each of the three organization and their respective interests in this case.

A. Friends of the Earth

FOE is an environmental advocacy organization. As part of its mission, FOE also campaigns actively for social and economic justice. FOE is affiliated with Friends of the Earth International, a global network representing more than two million activists in 75 countries. FOE is a U.S. Internal Revenue Code §501(c)(3) non-profit advocacy organization.

FOE on behalf of its members has a particular interest in issues related to closure of the Diablo Canyon Nuclear Power Plant. FOE has appeared before this Commission previously in connection with these issues. On October 9, 2014, FOE petitioned the Commission to open a new rulemaking to examine the costs of continued operation of the Diablo Canyon Nuclear Power Plant. FOE's petition in that instance alleged that the costs of continued operation would be unreasonable and detrimental to PG&E customers. In Decision 15-04-019, the Commission denied the petition, finding that the Commission would be able, in the future, "to timely issue a

rulemaking or investigation, addressing Diablo Canyon, on its own motion whenever it becomes warranted to do so.” (D.15-04-019, p. 12, Conclusion of Law 9.)

B. Natural Resources Defense Council

Founded in 1970, NRDC is a non-profit membership organization with more than 70,000 California members who have an interest in receiving affordable energy services while reducing the environmental impact of California’s energy use. On the international level, NRDC, as its website states, “combines the power of more than two million members and online activists with the expertise of some 500 scientists, lawyers, and policy advocates across the globe to ensure the rights of all people to the air, the water, and the wild.”

NRDC has appeared before this Commission many times over the years, and has had a major role in helping to shape policies that promote energy efficiency, renewable energy and reduced emissions. NRDC was an active participant in the multi-party negotiations that produced the Joint Proposal now before the Commission in this case, and NRDC is a signatory to the Joint Proposal. The guiding principle that has informed NRDC’s participation is the cost-effective replacement of Diablo Canyon with resources that contribute zero incremental emission of greenhouse gases.

NRDC was an active participant in the multi-party negotiations that produced the Joint Proposal now before the Commission in this case.

C. Environment California

Environment California is a statewide, membership-based environmental advocacy organization focused specifically on preserving California’s natural environment. Many of Environment California’s members and activists live in northern and central California and are served by PG&E.

Environment California seeks to influence public policy through its research and advocacy. Environment California is especially known for the effectiveness of its advocacy before the California Legislature.

Environment California was an active participant in the multi-party negotiations that produced the Joint Proposal now before the Commission in this case, and Environment California is a signatory to the Joint Proposal.

III. STATEMENT OF SUPPORT FOR PG&E'S APPLICATION

As signatories to the Joint Proposal, FOE, NRDC and Environment California support PG&E's Application in this case in its entirety, and respectfully urge that it be approved by the Commission. Having reviewed the Application and its supporting testimony, FOE, NRDC and Environment California believe PG&E has fulfilled in good faith its obligation under the Joint Proposal to submit to the Commission an Application seeking authorization to carry out all of the commitments in the Joint Proposal.

More particularly, FOE, NRDC and Environment California have reviewed the list of 13 requests on pages 12-14 of the PG&E Application, summarizing in detail the relief PG&E seeks by means of its Application.¹ FOE, NRDC and Environment California agree that, consistent with the terms of the Joint Proposal, the Commission should grant each of the requests enumerated in PG&E's Application.

FOE, NRDC and Environment California also wish to emphasize to the Commission that the Joint Proposal represents a rational, balanced and thoughtful plan for retiring the Diablo Canyon facility and replacing it with cost-effective, GHG-free resources. Thus, the Joint

¹ The PG&E Application can be accessed via this internet link:
<http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M166/K001/166001245.PDF>

Proposal, if approved by the Commission, will be a major building block toward accomplishing the Integrated Resource Plan mandated by the Legislature in S.B. 350, the Clean Energy and Pollution Reduction Act of 2015 (de León, Chapter 547, 2015). The Commission should welcome this initiative and be prepared, based on the record that we anticipate will be assembled in this case, to give it its full endorsement.

IV. CONCLUSION

For the reasons explained herein, FOE, NRDC and Environment California support PG&E's Application in this case in its entirety, and urge that it be approved by the Commission. FOE, NRDC and Environment California respectfully ask that the Commission grant the 13 requests PG&E enumerated on pages 12-14 of its Application.

Respectfully submitted,

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Dated: September 15, 2016